GOVERNMENT OF INDIA
LAW , JUSTICE AND COMPANY AFFAIRS
LOK SABHA

UNSTARRED QUESTION NO:1793
ANSWERED ON:08.03.2001
FAST TRACK SCHEME
VINAY KUMAR SORAKE

Will the Minister of LAW , JUSTICE AND COMPANY AFFAIRS be pleased to state:

(a) whether the Fast Track Exit Scheme of the Company Law Board has turned out to be a failure, even after beingextended several times;

(b) if so, whether out of more than 8000 companies, gone into oblivion in the eastern part of India, only 1072 opted for the FTES Scheme;

(c) whether the failure of FTES is attributed to its bad timing as it was launched just after the Company Law Settlement Scheme (CLSS); and

(d) if so, the steps being taken to track down the vanished companies and initiate legal action against them?

Answer

MINISTER OF LAW, JUSTICE & COMPANY AFFAIRS AND SHIPPING (SHRI ARUN JAITLEY)

(a) No, Sir.

(b) In Eastern Region 1334 companies have opted for the Scheme. As per our records 91598 companies are registered withthe Registrars of Companies in the Eastern Region.

(c) No, Sir.

(d) Non-Banking Financial Companies are governed by RBI. Monitoring of the working of all listed companies that come with public issue vests in SEBI/Stock Exchanges. Only 24 companies have been identified as non-traced companies out of 142 companies identified by SEBI as vanishing companies and Registrars of Companies have been instructed to initiate action under section 433/439 of Companies Act.